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C O N F I D E N T I A L SECTION 01 OF 02 BOGOTA 010891

SIPDIS

DEPARTMENT FOR INL/LP AND WHA/AND
ONDPC FOR DIRECTOR WALTERS

E.O. 12958: DECL: 11/21/2015

TAGS: PGOV SNAR CO
SUBJECT: ONDPC DIRECTOR WALTER'S NOVEMBER 8 MEETING WITH
DNE DIRECTOR VIVES

Classified By: CHARGE MILT DRUCKER FOR REASONS 1.4 (B) AND (D)

¶1. (C) SUMMARY. During his visit to Colombia, Office of National Drug Control Policy (ONDPC) Director John Walters met with the Director of Colombia's National Directorate on Dangerous Drugs (DNE), Juan Vives. Dr. Vives and his DNE colleagues briefed Director Walters on DNE activities, including DNE's role in asset forfeiture. Director Walters reviewed statistics on demand reduction in the USA as well as emerging information on changes in the cocaine market in the USA. END SUMMARY.

¶2. (C) As part of a trip to Colombia, ONDPC Director John Walters visited Colombia's DNE Director Dr. Juan Vives on November 8, 2005.

¶3. (C) The U.S. participants in the meeting were:

--ONDPC Director John P. Walters
--ONDPC Assistant Deputy Director Patrick Ward
--ONDPC Colombia Policy Analyst Richard O'Connor
--NAS Director Julie Gianelloni Connor
--NAS Program Officer Paul Dever

The Colombian participants were:

--DNE Director Juan Vives Menotti
--DNE Deputy Director for International Relations Carlos Medina
--DNE Legal Advisor Camilo Guzman
--DNE Deputy Director for Chemical Precursors Marta Romero
--DNE Officer for Media Maria Elena Romero

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Colombian Seizure Laws and Effect
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¶4. (C) DNE Director Vives detailed the successes and the (minor) drawbacks of the Colombian Asset Seizure Laws. The assets confiscation process is a victim of its own success. The state is confiscating more property (to include vehicles, watercraft, aircraft, buildings, companies, and farms) than it can manage. They know that they have seized over 32,000 properties but are unable at this time to complete a proper inventory due to lack of assessors and other qualified people to verify the value of the properties seized. While they cannot give an accurate figure on the value of seized goods, their ballpark figure is USD 482 million. (Post comment: the Colombian seizure laws state that property seized must be maintained in the same condition in which it was seized in case the goods are returned rather than forfeited. End Comment.)

¶5. (C) DNE uses USG-donated computer software, FARO, to track all of the 32,000 seized properties, and another system, FRISCO, to track those properties for which they have title. At present, the GoC holds title for only 3,000 items, or less than 10% of the seized properties.

¶6. (C) Director Vives explained that there are legal constraints to the seizure process. It can take several years to resolve a case, and in the interim the state must take care of the property. It is difficult to find qualified caretakers due to the danger attached to caring for confiscated property due to the personal threats often levied against DNE-appointed managers. An example Vives gave was a dairy farm which needs daily attention from qualified workers.

¶7. (C) Director Vives gave a short history of the seizure process: The law governing seizures was improved in 2002. Previously, the district attorneys who dictated the confiscation orders did not have to include complete information regarding the seized assets. As a result, DNE's records on assets seized prior to 2002 are incomplete. Since the implementation of the new law in 2002, the records are more accurate and detailed. Proceeds from the auction of confiscated properties beginning in 2006 will go to support the construction of new prisons for the next ten years. Also, seized cash is portioned out to several national agencies, including the police.

¶ 18. (C) When asked why farmers are not being arrested for coca cultivation, DNE Observatory Director Carlos Medina stated that the law was implemented mainly for the large traffickers and that, although cultivation is illegal, their target is large-scale traffickers. (Post comment: Almost no one has been arrested and charged with coca cultivation; confiscation procedures are mainly brought against traffickers. End comment.)

¶ 19. (C) Director Walters expressed concern about the seizure process and its difficulties. DNE Director Vives explained that the Colombian government is doing what it can to streamline the process so there are fewer difficulties and a shorter process.

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REASONS FOR LITTLE CHANGE IN PRICE OR PURITY OF COCAINE
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¶ 110. (C) Director Walters discussed possible reasons why the price and purity of cocaine over the years had not changed. First, while the supply is decreasing, so is the demand in the USA. Director Walters offered statistics on the decline in drug usage among young Americans. In addition, Director Walters said that the overproduction of cocaine in the 1980's and 1990's surpassed consumer demand and led to a reserve being built up. It has taken several years of intense GOC eradication and interdiction for this reserve to be drawn down. Director Walters also noted that the coca production pipeline stretches from 12 to 24 months, so immediate price change is not guaranteed. Director Walters stated that he was optimistic that there would shortly be good news on positive trends in the USA showing an increase in cocaine prices and a decrease in cocaine purity (NOTE: On November 17, 2005, Director Walters did announce significant progress in reducing the purity of cocaine in the U.S. and raising its price.)

¶ 111. (C) DNE Director Vives felt that was possible, but he had another theory: synthetic drugs. He expressed concern that synthetic drugs will soon replace cocaine as the drug of choice. His fear is that knowledgeable Colombian chemists will turn to producing and exporting these newer, more dangerous drugs.

¶ 112. (C) Concerning demand reduction, Director Vives explained that the Ministry of Social Welfare currently has the responsibility for prevention and anti-drug education policies and programs. The DNE, which some years ago was responsible for this area, would like to resume work on demand reduction. Dr. Vives is seeking approval for this.

¶ 113. (C) Director Vives reported that another major area of DNE work is the "Drug Observatory," which is the GOC's official compilation of data on drug issues in Colombia. DNE Deputy Director Medina heads this project. An annual report giving data concerning illegal drugs in Colombia is published, and an English translation of the latest volume is being prepared with USG financial assistance.

¶ 114. (C) COMMENT. Since Dr. Vives took over the directorship of the DNE in May 2005, the Embassy has enjoyed a good working relationship with DNE. NAS has been consulting on ways to collaborate with the DNE, especially on demand reduction projects and on anti-drug media campaigns. Regular joint DNE-NAS meetings have begun. END COMMENT.

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